

United Kingdom Continental Shelf (UKCS) Stewardship Survey

Oil and Gas Authority (OGA)

RPC rating: validated

Description of the measure

Following the creation of the Oil and Gas Authority (OGA) in October 2016 (to oversee the maximising of economic recovery of UK offshore oil and gas resources), it introduced a new annual survey entitled *United Kingdom Continental Shelf (UKCS) Stewardship Survey*.

Completion of the survey is a statutory requirement for all industry operators and licensees. The survey replaces nine previous industry surveys – most of which were voluntary – and streamlines the way in which data will be gathered and analysed, reducing complexity, time and duplication. The resulting data will be used to assess current and forecast activity in the UKCS and enable more robust economic modelling and strategies to be developed. Operators will provide the required data using an OGA Energy portal to a secure database.

Impacts of the measure

The OGA explains that all 77 oil and gas operators and licensees are required to complete the survey, and that this represents an increase in regulatory burden over the previous, mostly voluntary approach. Estimates are provided to cover the time spent by businesses in collation and entry of data required by the survey. On average, operators are expected to take 210 hours, including familiarisation, to complete the survey in the first year. In subsequent years it is estimated to take 20% less time (168 hours) as operators become familiar with the process. On average, the OGA estimates operators will spend 70 hours submitting information on the Energy Portal. The OGA provides estimates of transitional costs of £515,452 in the first year and ongoing costs of £412,361 per year for subsequent years. As the survey will streamline previous data requests, the OGA has estimated an annual saving to business of £29,750, partly offsetting the additional cost of the new survey.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.4 million. This is a qualifying regulatory provision that will score under the business impact target.

Quality of submission

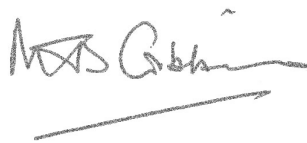
The OGA has provided sufficient evidence to support its estimate of the impact of the measure. The RPC notes that the assessment includes evidence of support from business for the measure.

Regulator assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net direct cost to business (EANDCB)	£0.4 million
Business net present value	-£3.4 million

RPC assessment

Classification	Qualifying regulatory provision (IN)
EANDCB – RPC validated ¹	£0.4 million
Business Impact Target (BIT) Score ¹	£2.0 million



Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANDCB and BIT score figures to the nearest £100,000.